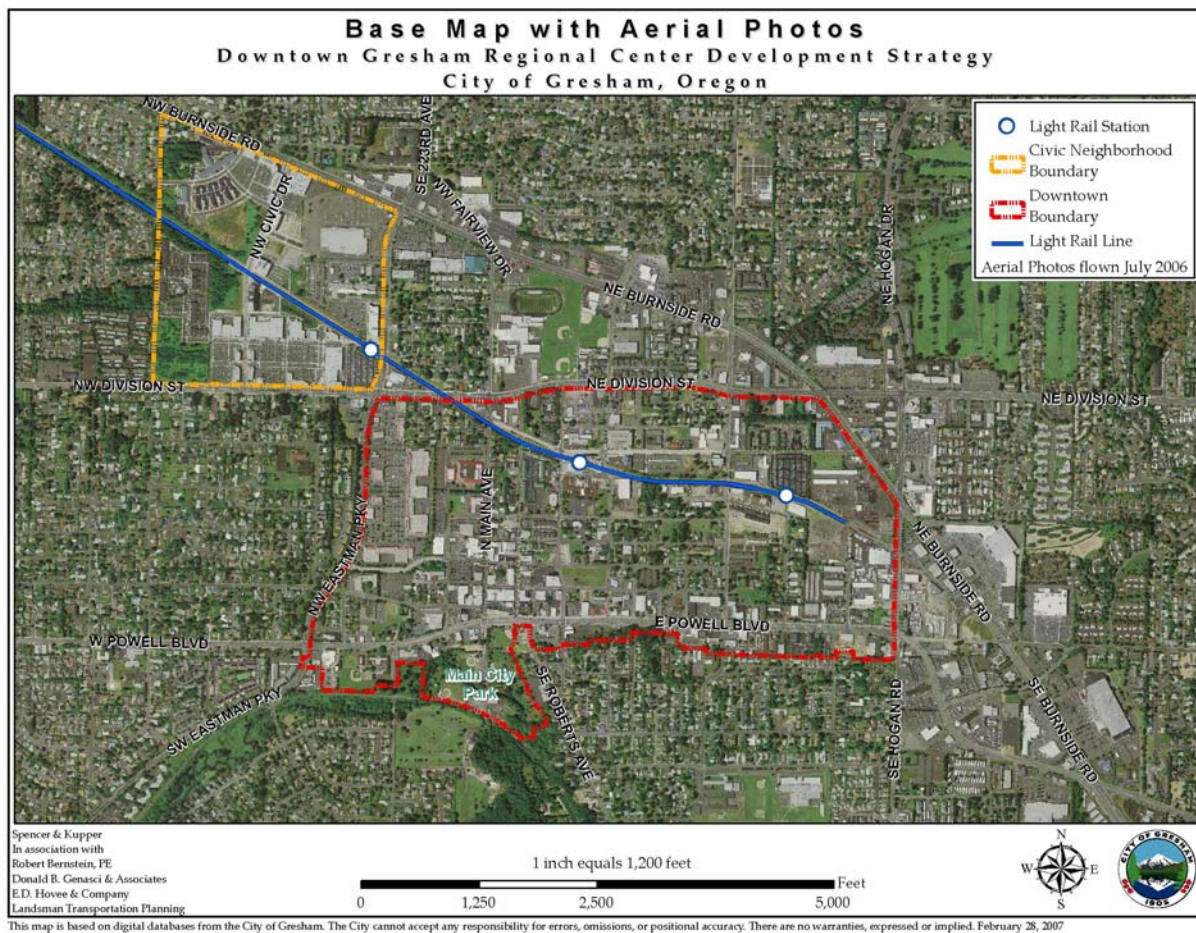


Development Strategy

Final Draft

Assets, Barriers and Opportunities (WOC 7.2 & 8.4)
Strategies & Implementation (WOC 8.1 & 8.5)



Prepared for:

City of Gresham, Oregon
Oregon Department of Transportation

August 7, 2007

City of Gresham, Oregon
Downtown Regional Center Development Strategy

Assets, Barriers and Opportunities Memo
Strategies & Implementation Memo

An analysis of the assets, barriers and opportunities for regional center type development in Downtown Gresham, and steps for achieving those development types.

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Assets, Barriers and Opportunities Memo Strategies & Implementation Memo

August 7, 2007

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I. INTRODUCTION

The purpose of this report is to summarize the analysis of the assets, barriers and opportunities for regional center type development in Downtown Gresham, and to outline the steps for achieving those development types. The report outlines the Draft Vision for Downtown Gresham, summarizes the assets, barriers and opportunities identified for: Existing Downtown Plan and Development Policy; Land use and development patterns; market and development factors; infrastructure and transportation needs; and implementation programs. (WOC Task 7.2)

This report also includes draft development strategies and implementation recommendations designed to achieve the Vision for Downtown Gresham, overcome barriers to investment in Downtown, and to encourage Regional Center type development. (WOC Task 8.1)

This report combines these two sub-tasks so that our observations, conclusions, and recommendations follow from the review and evaluation of several major topics. These topics include the current regulatory context; the evaluation of successful case studies and lessons learned that may be applicable to Gresham; a focus on changes in conditions primarily related to market and development factors; and finally to implementation tools utilized by many downtown areas that may be considered by the City of Gresham.

The study area is made up of the Downtown Plan district of the Gresham Regional Center. **Figure 1** is a Base Map of the study area. The area is bounded by NW Division Street to the north, NE Burnside Road and NE Hogan Drive to the east, Powell Boulevard (both sides) to the south and NW Eastman Parkway to the east. The entire area contains approximately 301 acres excluding public right of way. The MAX LRT line serves the district with two Light Rail Transit (LRT) stations.

Figure 1



II. VISION STATEMENTS-WHAT WE ARE TRYING TO ACHIEVE

A. Overall

The overall vision for Downtown Gresham is summarized in the following statements:

Downtown Gresham is the focus of the community. Downtown is recognized by every person in the City as the place where pedestrian rather than automobile scale predominates, where work, living, retail and entertainment uses make this place an exciting destination, where public parks, streets and squares support the public life of the community, and where transportation options offer access to destinations throughout the region.

Downtown is seamlessly connected to the Gresham Civic Neighborhood, and together these two districts form the Gresham Regional Center. Each district has distinct but complementary roles. Within the Downtown, smaller neighborhoods such as the Historic Core, Arts District, Civic Service Center, and Hotel/Conference Center areas have unique characteristics and together make Downtown the heart of the City.

Downtown is a success due to an effective public-private partnership with broad community support that ensures on-going investments in the area and provides for stable funding for needed improvements. Downtown's urban neighborhoods provide opportunities for a variety of businesses, for unique housing options that appeal to a wide range of residents, and for cultural, educational and entertainment activities found nowhere else in the City.

The following vision statements describe in more detail how Downtown Gresham will look in the future.

B. Land Use & Development

1. Downtown Gresham includes residential and employment uses, restaurants and shopping opportunities, cultural amenities and public facilities making it an 18 hour mixed use district. Redevelopment to a more intensive commercial, residential, and mixed use character has occurred throughout the Downtown, while the traditional storefront character of the Historic Core has been preserved.
2. The most densely developed areas are within walking distance (1/4 mile) of MAX stations, and high volume transit streets. Moderate and high density housing, retail commercial and office employment uses are located near MAX stations in buildings up to 80 feet tall. Reduced densities and building heights are allowed in areas more remote from major transit services and in the Historic Core along Main Avenue.
3. Taller buildings close to MAX stations are carefully placed so as to maintain view corridors to Mt. Hood to the east and the buttes to the south. Building heights along Main Avenue are compatible with the character of the Historic Core.

4. Downtown has a balanced mix of residential and commercial/office uses. Mixing of residential and commercial uses on important priority streets where high levels of activity are desired is permitted and encouraged. Other streets are quieter or less active and have primarily residential uses.
5. Existing auto-oriented commercial uses on the perimeter of the Downtown continue to serve passing traffic on adjacent boulevards. Through redevelopment, existing and new businesses on the perimeter are oriented to adjacent streets, and are also well connected to adjacent Downtown neighborhoods.
6. Auto repair and service uses have relocated from areas near LRT stations to well designed developments in locations with good access to surrounding arterials.
7. Major employment anchors, including multi-story office buildings are located Downtown.

C. Mobility, Access & Circulation

8. Downtown is safe for pedestrians and bicyclists and is designed for pedestrians without excluding the car.
9. Downtown and MAX stations have north-south linkages to surrounding neighborhoods and activity centers such as Mt. Hood Community College, Mt. Hood Medical Center, Springwater, Damascus and Troutdale/Fairview/Wood Village by frequent transit service (MAX extension, streetcar/trolley line or 15 minute bus service) and by safe pedestrian and bicycle facilities.
10. MAX not only connects the Downtown to the rest of the region, it provides intra-city connections to more local activity centers such as the Civic Neighborhood, Rockwood, and others.
11. MAX stations and the rail line itself are more urban in character, safe and convenient for pedestrians and designed with lighting, furnishings, shelters and pavements appropriate for a mixed use center. As also proposed in the Civic Neighborhood Design Charrette, the MAX right-of-way and adjacent area is a design element that helps unite Downtown with Civic Neighborhood and has the following features:
 - Like the west side MAX stations at The Round, Orenco Station and Downtown Hillsboro, the MAX tracks are located in pavement rather than on ballast, and the stations have been upgraded with enhanced shelters, artwork, and other urban features.
 - Within the right-of-way is the Art Walk/bike path and a linear greenway with trees which connects to and goes through Civic Neighborhood
 - Adjacent developments are oriented to the facility with outdoor features that complement the public Art Walk and greenway such as landscaping, plazas,

courtyards, outside seating areas and artwork. Building walls facing MAX have windows and entrances, instead of blank walls.

12. Tree lined boulevards with separate bikeways and pedestrian paths form the perimeter of the Downtown.
13. Multiple, direct street, pedestrian and bicycle connections are provided to transit stops, shopping, Main City Park and the Springwater Trail. A special pedestrian/bicycle boulevard, the Art Walk, connects the Arts District to Main City Park, the MAX stations, the Civic Neighborhood, and other nearby attractors, and includes a wide variety of art projects incorporated into the design.
14. Key streets and pedestrian connections have been extended to enhance pedestrian and vehicular circulation, to break up oversized blocks, to increase street frontage, to extend the existing small block grid beyond the Historic Core area, and to connect to the Civic Neighborhood.
15. Adequate parking is available that matches need with parking supply. On-street and public and private off-street parking is managed for the benefit of the area.

D. Housing

16. A wide variety of moderate and high density housing exists in the Downtown. Housing is well designed and attractive, well maintained, and meets the housing needs of the range of people working in the Downtown. Accessory housing is also permitted.
17. A mix of owner-occupied and rental housing and a wide variety of housing types are located in the DGRC and are affordable by a range of income levels.
18. Average residential densities are achieved that support economic transit usage.
19. Similar land use types and building scales face each other across streets.

E. Design

20. Enforceable design regulations are in place for the built environment.
21. The notable design characteristics found in the historic downtown core, its commercial mix dominated by small-scale specialty retail and offices, is preserved and enhanced. This traditional store front environment has been extended throughout the central core area.
22. A pedestrian friendly environment that is safe, inviting and friendly has been created throughout the Downtown by:

- Encouraging all new buildings to be placed close to adjacent sidewalks and streets, with parking placed behind, under or to the side of buildings. The primary orientation of buildings is to the street, rather than to parking lots.
 - Prohibiting blank walls that abut public streets, providing visual interest on all walls that are visible from public streets, and requiring door and window openings or other features to enhance attractiveness and pedestrian interest at ground level.
 - Providing for pedestrian oriented lighting, lighting that helps make Downtown a relatively safe/secure place, and rain protection.
 - Providing for the convenience, safety and benefit of the disabled.
 - Regulating the size, placement and appearance of parking lots.
 - Regulating the size, placement and appearance of signs so that they are oriented toward the pedestrian. Auto-oriented signage is allowed around the perimeter of Downtown, along arterial streets.
23. Sub-districts within Downtown maintain distinctive, complementary characteristics. These sub-areas are (tentatively):
- Historic Downtown Core
 - Gresham Town Fair
 - Arts District
 - Industrial Transition Area
 - Division Mixed Use Area
24. Historic resources such as churches, the Mayor's House and Carnegie Library have been restored and integrated into the fabric of the area.
25. Public art and private art projects within new developments are evident throughout the Downtown, particularly in the Arts District.
26. Sustainable design and green development practices contribute to the character of the area, for both public and private projects.

F. Special Places & Attractors

27. The Center for the Arts and plaza serve as a focal point for the Downtown. The space is suitable for community scale and regional events, such as a farmers market, outdoor performances, promotional events and displays.
28. Parks, plazas and other open spaces are easily accessible from anywhere in the Downtown and provide green places for visitors and residents alike.
29. Main City Park is connected to the Downtown from the Main Avenue Historic Core. The park is well planned, and complementary activities occur that enhance both areas. Main Avenue has a direct connection to the Springwater Corridor.

30. Major attractors for residents and tourists such as the Arts Center, an all season Farmer's Market, Community College and Hotel/Conference Center serve as anchors for the DGRC and offer significant employment opportunities.
31. The Art Walk is a regional attraction. It begins at Main City Park, at the Springwater Trail, extends north through the park and crosses Powell Blvd. to the Center for the Arts plaza. It then continues further north along Beech Ave (a shared use "festival style" street) in the Arts District, connects to the MAX bike/ped path/greenway and continues west in the MAX right-of-way through Civic Neighborhood. Alongside the path are sculptures and in the summer, particularly in the Arts District, there are outside art shows and craft displays nearby.

G. Sub-Area Neighborhood Opportunities

32. Historic Downtown Core
 - The Historic Core on Main Avenue and mixed use corridor on Roberts Avenue south of 5th Street
 - 3rd Street provides an east-west link to the Arts and Gresham Town Fair Districts
 - Main Avenue at Division is a gateway into the Downtown:
 - Redevelopment opportunity
 - MAX Station, park, visitor center
 - The west side of Main Avenue north of 5th Street
 - Redevelopment opportunity
 - Pedestrian-oriented uses
 - Campus environment
 - Shared parking
33. Gresham Town Fair
 - As shopping center redevelops, connections to the Historic Core emphasized
 - Redevelopment opportunities along 2nd Street and Victoria Avenue
 - Shared parking
34. Arts District
 - Center for the Arts Center and plaza
 - Studios, galleries, lofts and live-work spaces
 - Small neighborhood park
 - Mixed use residential areas
 - Grocery store opportunity
 - Art Walk along Beech Avenue, connecting to Main City Park and MAX
 - Good auto access for businesses along Powell Boulevard
35. Industrial Transition Area
 - Service cluster opportunity
 - Redevelopment of PGE sites-Hotel/Conference Center opportunity
 - Connect Hogan Drive and Burnside Road areas to MAX

- East-west street connections needed to link this area to the rest of the DGRC
36. Civic Service Center Mixed Use Area
- Civic Service Center around Gresham Central Station MAX Stop:
 - County facilities, Tri Met parking structure already there
 - Shared parking opportunities
 - Redevelopment opportunities
 - City Hall complex opportunity
 - Employment focus area
 - Mixed use residential redevelopment south of Division Street

III. ASSETS, BARRIERS & OPPORTUNITIES

A. Existing Downtown Plan and Development Policy

Downtown Gresham is part of one of the seven Metro-designated Regional Centers in the Portland area. Centers are compact, mixed-use areas of high-density housing, employment and retail that are pedestrian-oriented and well served by public transportation and roads. The seven regional centers are complementary areas of economic activity serving large markets outside Portland. They are the most accessible areas in the region by auto and high-quality transit, highways and pedestrian-oriented streets.

A report entitled *Conditions & Circumstances Report, Update Conditions and Analysis Memo*, June 2007 evaluated the changes to conditions and circumstances since the Downtown Plan was adopted in 1995, and included observations, conclusions and recommendations for Comprehensive Plan Policies and Development Standards. The report also evaluated development and design standards from three nearby Regional Centers: Downtown Beaverton, Gateway Regional Center in Portland and Downtown Vancouver, Washington, and the implementation tools used in these centers that contribute to successful development and redevelopment programs. Based on our review of the current land use and regulatory context, and on the case study analysis, we have the following observations, conclusions and recommendations relative to achieving the Vision outlined in the previous section. These conclusions are arrayed as either assets, barriers to be overcome, and/or opportunities.

1. Assets

Policy. The current policy governing land use and development in the Downtown is outdated but has been addressed as part of this project. New policies will be based on the *Final Vision Narrative and Graphics, 2007* that reflects the most current thinking about the future of the Downtown area.

Development Standards. The current zoning and development standards allow mixed uses at relatively high densities, have highest densities near MAX stations, and include development standards that support pedestrian activity. Although there is a wide range of variation among specific standards such as maximum building heights, FAR requirements, setbacks, building

orientation, etc. among the case studies, the types of factors that are addressed are very consistent for mixed-use centers developed at urban densities. The current development standards in Gresham regulate these same factors in much the same way as the case study examples. Overall, zoning standards are appropriate for a Regional Center.

2. Barriers to be overcome/opportunities

Map Designations. The Vision calls for the long-term redevelopment of an older shopping center area along NW Eastman Parkway for mixed use development emphasizing office uses. The area is currently designed DC-1, a zoning district that supports the current development form.

- Amendments to the base zoning map are recommended based on the final Vision approved for the area. Amendments include changing the DC-1 zoning along NW Eastman Parkway to DT, and changing the DR-30 zoning south of NW Division Street west of Main Avenue to DT.

Specific Standards. Specific use and development standards may need to be modified. An example is that some auto service uses now located within the DT District are non-confirming uses, which has caused reluctance for business to reinvest and improve many of these properties.

- Standards should be developed to allow limited improvements, or a relocation program be developed as part of the implementation strategies to be prepared as part of Tasks 9 of this project.

Architectural Design Review. Design standards are general and are currently advisory only. There appears to be support for more certainty related to design standards that are more focused on Downtown Gresham, and approval procedures including design review as an important element.

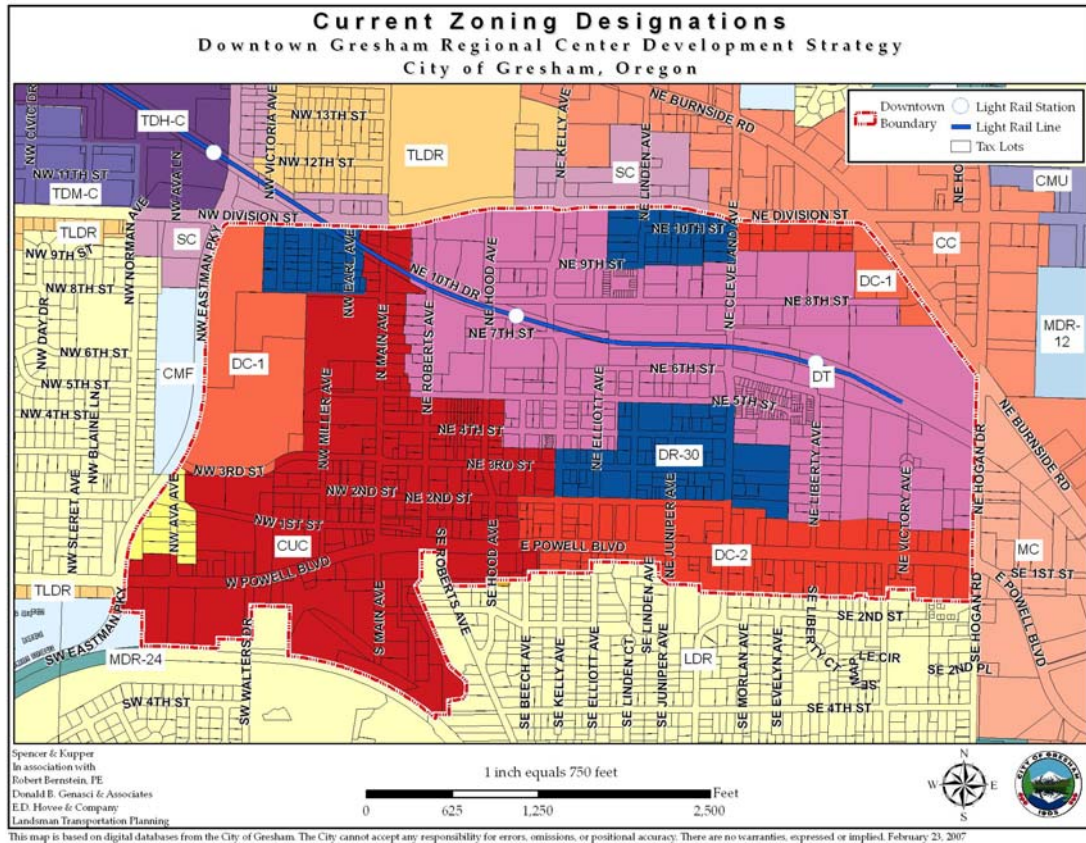
The most significant difference among the case study examples is how design review is administered. In all three examples, design review is a development approval requirement, design standards and guidelines are specific to the downtown areas, design standards are relatively quantifiable in Beaverton and Gateway, and design review approvals, in general, are made by a review body appointed by the respective city council that has authority to make quasi-judicial decisions.

In both the Beaverton and Gateway Regional Centers, applicants have an option whether to utilize specific design standards and secure approval through administrative decisions, or to gain approval by an appointed review body at a public hearing that applies more general design guidelines. In both cases it is generally up to the applicant to determine which approval track to pursue.

- We recommend that Gresham develop required design guidelines and standards for the entire Regional Center, and establish approval procedures that offer both an

administrative and quasi-judicial approval track to applicants. In addition, we recommend that strong attention be given to incentives or regulatory streamlining that can serve to offset both regulatory issues of importance to development interests – whether real or perceived.

Figure 2



B. Existing Land Use and Development Patterns

A report entitled *Existing Conditions Analysis*, April 18, 2007 includes a detailed description and analysis of land use, development, infrastructure, and transportation conditions within the study area. Based on the information developed for this report, the following assets, barriers and opportunities are identified.

1. Assets

The Downtown is already a focus for many civic and public facilities. South of the MAX Line, public parking lots, the library and post office are located south of NW 5th Street between NW Miller and SE Hood Avenues. The Proposed Center for the Arts site is east of SE Hood Avenue between NE 2nd and 3rd Streets. Multnomah County Aging Services the National Guard Armory, Alpha School, parking and the Tri Met Park & Ride structure are located north of the MAX Line. Main City Park is located south of W. Powell Boulevard and includes the Springwater Trail. Also south of W. Powell Boulevard is the County

Courthouse (Multnomah County Department of Justice). The City and County are presently discussing relocating the courthouse in a new facility at a different location. The existing facility may be a redevelopment opportunity. Other important civic uses located just outside the study area include Gresham City Hall in the Civic Neighborhood, and Gresham High School north of NW Division Street.

Large properties offer development and redevelopment opportunities. Over 42% of lands within the planning area are owned by property owners who control more than 100,000 square feet of land area. The Gresham Town Fair and PGE are two of the largest private property owners in the study area. Properties controlled by both originations offer long term redevelopment opportunities. The City of Gresham, Tri Met and Multnomah County are also large public property owners, and parcels currently publicly owned also represent redevelopment opportunity.

- The Vision calls for the long-term redevelopment of the Gresham Town Fair area to a mixed-use employment district that complements the office focus in the Civic Neighborhood along NW Eastman Parkway. The area is proposed to be rezoned from DC-1 to DT.
- The Vision calls for the long-term redevelopment of the PGE properties to a Hotel/Conference Center including additional parking and open space. The City should pursue a public/private partnership with PGE so that mutual goals and long-term opportunities can be identified.

There are significant redevelopment opportunities within the area due to vacant, publicly owned, and underdeveloped properties. Properties that are publicly owned, vacant, small single family structures and other properties such as the PGE site at the end of the MAX Line have improvement to land value ratios of 1/1 or less. Over half of the total parcels in the study area representing 45% of the land area have low value ratios less than 1/1. Almost 65% of the land area has value ratios less than 2/1. This suggests that there is significant long term redevelopment opportunity throughout the study area.

- Specific redevelopment opportunities identified in the Vision include:
 - Continued development of the retail core north of 5th Street and west of Main Avenue,
 - Infill and redevelopment in the Arts District focused on the Center for the Arts and Arts Walk, and
 - Redevelopment around current and proposed MAX stations.

2. Barriers

Small parcels and land ownership patterns east of Roberts Avenue. Much of the area east of Roberts Avenue and south of the MAX line is currently single family in individual ownerships, in spite of zoning that allows much more intense development. Consolidating parcels to form more suitably sized properties for mixed use development will be a challenge.

- Incentives for small property owners to consider redevelopment, and programs to support small lot consolidation for redevelopment are recommended so that the vision for the downtown area can be achieved.

Poor connections between the Downtown and Civic Neighborhood. In spite of the proximity of these two areas that form the Regional Center, visual and physical linkages are poor, particularly pedestrian connections at the intersection of NW Division and NW Eastman Parkway.

Improving the connections is a high priority. Some of the actions to accomplish this are:

- Intersection improvements to add pedestrian amenities and signal crossing priority,
- Development of surrounding properties that emphasize street-level activities and pedestrian orientation,
- “Fairless Square” capabilities on MAX, and
- Local shuttle service connecting these sub-districts.

C. Market and Development Factors

The comments are focused on changes in market and real estate conditions. For this review, it may be useful to look back not just 10 but 20 years. This retrospective is facilitated by a *Gresham Central Area Market Report* conducted by E.D. Hovee & Company for the City of Gresham in January 1986. This now 20+ year old report was prepared as part of the Banfield light rail (LRT) Station Area Planning Program.

Key changes noteworthy for current Downtown Gresham area development planning include the following:

- ***The MAX Connection.*** At the time of the 1986 analysis, LRT was imminent (opening in September 1986) but not yet in place. Now there is nearly two decades of experience – especially with regard to the growing nexus between LRT and development. In the last decade, transit-oriented development has picked up along the entire MAX corridor including commercial, residential and mixed use development in and near downtown Gresham.
- ***Market Area Demographics.*** In the mid-1980s, population of the Gresham area was still increasing at a rate above that of the Portland metro area; the local rate of growth is now below that of the entire metro region. Incomes were above region-wide averages; now they are below. Gresham’s population is now considerably more diverse than that of the region. As an increasingly urban neighborhood, downtown likely will need to more tightly define its market niche to set itself apart from the competition both in Gresham and regionally.
 - The downtown area needs to attract more residential development. The area currently has a population density of 7 people/acre, which is low for an urban center. Additional residential density will support additional commercial growth and overall activity levels in the regional center.
- ***Retail Development.*** The 1986 market analysis identified unmet demand for a small regional shopping center. Much of that market need has subsequently been met by the

Gresham Town Fair and then Gresham Station retail developments. For downtown Gresham, there remains the opportunity to capitalize on consumers' growing appetite for pedestrian scale, village retail such as Gresham Station, NW 23rd Avenue, or Bridgeport Village.

- **Office Development.** The 1986 analysis identified two Class A office buildings in Gresham; these are now viewed as Class B space with virtually no local Class A inventory in Gresham. Recently, there are signs of new office development in and near the downtown area. Downtown Gresham's opportunity to re-enter the Class A market probably depends on an economic development approach – attracting corporate tenants who choose Gresham for reasons such as non-Central City MAX accessibility plus access to a substantial labor force that now endure substantial work trip commutes.
- **Residential Community.** While mixed use projects with a strong residential component were not on the radar screen in 1986, downtown housing was identified as a market opportunity in the 1986 market analysis. Some of this housing opportunity was realized in the 1990s, especially with townhomes but less so with more dense forms of mid-rise condo development. A key opportunity and challenge for Gresham is to transition from the initial townhome products to now also encompass more urban scale, higher density and higher cost mid-rise condo projects needed for a more vibrant downtown mixed use environment.
- **Civic Space.** Over the last two decades, cities in the Pacific Northwest and beyond have re-discovered the vital role that major civic facilities can play in maintaining or re-energizing declining city core areas. As in other communities, decisions about locating and investing in facilities as diverse as city halls, arts centers, parks and open spaces, sports complexes and even public parking may prove pivotal to downtown revitalization in Gresham as well. The impact is both *symbolic* as a visible demonstration of public commitment to the downtown and *real* by bringing (or keeping) public employees and patrons who also shop as part of their trip to a public facility.

The *Opportunity Sites Report*, June 2007 addressed development potential associated with three opportunity sites in the downtown study area including – including site identification, outline of development programs, project costing, financial analysis and strategies for overcoming any financial gaps. The report characterized the opportunity sites, followed by identification and evaluation of prospective uses for each site, and then financial feasibility testing of the uses selected for consideration.

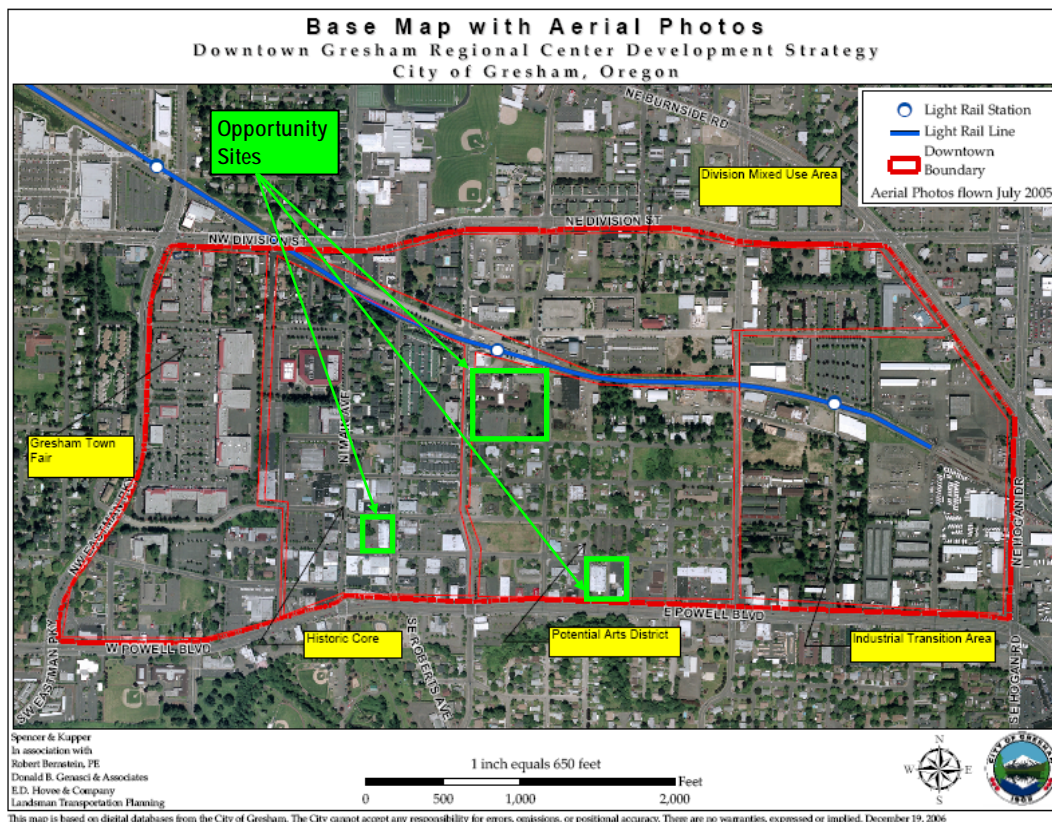
1. Opportunity Sites

The three opportunity sites selected by the City of Gresham for further evaluation are listed below. Figure 3 shows their location:

- **Site A:** Fronts Roberts Ave between 2nd & 3rd St. Vicinity uses are retail along Main Ave to the west sharing the block, small office & dining to the north & south, & small office bldg & parking lot to the east.

- **Site B:** L-shaped site fronts both 5th St & Kelly Ave. Vicinity uses are nursing home sharing the block in the NW corner, auto supply store & parking lot to the east, single family res & small medical & dept of justice office to the south, medical office bldg to the west & MAX station to the north. Being discussed as future City Hall site & part of arts walk.
- **Site C:** Whole block bordered by Powell Blvd, Elliott & Linden Ave, & 2nd St. Vicinity uses are parking lot to the north, parking lot for a church to the east, vacant to the south, carpet store & Gresham's Mt. Hood Honda – Seadoo to the west. Visioning discussed potential for grocery.

Figure 3
Opportunity Sites



2. Prototype Developments

Based on discussion of preliminary information regarding opportunity sites and potential uses, the following three project prototypes were selected utilizing the above identified sites for more detailed evaluation:

- **Site A:** An approximately 62 unit condominium development situated above 18,750 square feet of ground floor retail and a 62 space below grade parking garage. The all-in development cost (including land, site prep, construction and soft costs) is estimated at \$17.4 million.
- **Site B:** A mixed use development with 186 units including 57 townhomes and 129 condominium units together with 12,960 square feet of ground level retail and 232 spaces of below grade parking. 5-6 story condos on one of the two block faces with 2-3 story townhomes on the other block face. All-in development cost (in 2007 dollars) is estimated at \$51.3 million.
- **Site C:** This is identified as the best of potentially available sites for a specialty grocery store of 25,200 square feet together with 83 on-site parking spaces – at an effective ratio of close to 3.3 parking spaces per 1,000 square feet. Total development cost of a “vanilla shell” before tenant improvements is estimated at \$5.2 million.

3. Preliminary Pro Forma Results

A financial *pro forma* represents a projection of project valuation versus cost of development – including land, construction and soft costs. Projects deemed as financially feasibility for which valuation upon completion equals or exceeds cost of development:

- Site A mixed use development (with 62 residential units) achieves value that is 93% of project cost, meaning that development cost exceeds valuation upon completion by more than \$1.3 million.
- Site B which accommodates more development (186) units achieves value on completion that is somewhat closer to financial feasibility at 95% of project cost. However, due to the larger scale of this project, the financial gap is nearly \$2.8 million.
- Site C which is programmed for a specialty grocery achieves value that is 8% above cost, assuming that high end rental rates equivalent to \$25 per square foot can be secured. However, the grocery may be under-parked with only about 3.3 spaces per 1,000 square feet of building area. Also noted is that a grocer may prefer to own their own space, rather than lease from a third-party developer/owner.

4. Pricing to Eliminate the Financial Gap

Considered is pricing that would be necessary to eliminate the projected financial gap with two of three scenarios (A and B) coupled with opportunity for a more competitive site plan with Site C:

- With Site A, financial feasibility is achievable if condo selling prices increase from the \$250 level projected by just \$25 to \$275 per square foot.

- With Site B, financial feasibility can be achieved if condo prices increase from \$250 to \$265 per square foot and townhome pricing increases from \$225 to about \$240.
- Because Site C is already feasible on paper but potentially under-parked, the sensitivity test has been to assess effects of acquiring nearby unimproved property sufficient to achieve a parking ratio of 5.0 spaces per 1,000 square feet. Assuming land prices comparable to tax assessed values away from Powell Boulevard (estimated at about \$10 per square foot), the project still is in a range approximating feasibility – with valuation upon completion at about 99% of estimated development cost.

5. Other Strategies to Close the Gap

There is no guarantee that market prices will move up to levels needed to eliminate any financial gap and assure project feasibility. Based on the detailed pro forma analysis conducted for this report, the following refined strategies also may be suitable for consideration:

- Provision of added off-site parking for overflow residential use – as structured parking programmed with the pro formas is below current parking ratios for Gresham but are compatible with urban pedestrian amenities and proximity to MAX light rail.
- Value engineering – though construction cost savings should not unduly compromise project quality and resulting required market appeal.
- Public streetscape, pedestrian amenities and parks – creating a unified downtown Gresham look.
- Provision of public off-site (and possibly on-site) infrastructure and/or assistance if required with environmental remediation.
- Waiver or deferral of systems development and hook-up charges – most appropriate in previously developed areas with infrastructure already available.
- Downtown marketing – from downtown, visitor and convention organizations, and/or an Economic Improvement District. Variety of funding options.
- Tax increment financing / urban renewal – as this funding source can prove instrumental as a means to support and affect many of the other potential strategies.

D. Existing & Needed Infrastructure

A report entitled *Existing Conditions Analysis*, April 18, 2007 includes a detailed description and analysis of infrastructure and transportation conditions within the study area. Based on the information developed for this report, the following assets, barriers and opportunities are identified.

1. Assets

Existing infrastructure is already in place. The study area is currently served by water distribution, sanitary sewer and storm water facilities. The City has completed systems master plans and has a capital improvement program that identifies specific needs, proposed improvements, and in some cases, has committed funding for high priority projects.

2. Barriers and Opportunities

Infrastructure needs are identified, but current funding is inadequate. Following is a summary of needed infrastructure improvements and funding status:

Water Distribution

A grid of major water distribution lines are found in streets throughout the study area. The CIP identifies a number of needed water distribution improvements including:

- **NE 3rd Street** -Hood to Cleveland Streets, Replace and upgrade existing lines.
- **NE 4th Street**-Kelly to Cleveland Streets. Replace and upgrade existing lines.
- **NE Division**-Eastman to Burnside Streets. Replace and upgrade existing lines.

All of these projects are funded. An unfunded project is also identified:

- **NE 6th Street**-Cleveland to Victory Avenue/Powell. New line.

Sanitary Sewer System

The CIP identifies the need for future collection line improvements located within the study area. These improvements are funded:

- **NE Roberts**-2nd to 4th Streets. Existing pipe rehabilitation and maintenance.
- Unspecified older sanitary sewer lines throughout the Downtown. Existing pipe rehabilitation and maintenance.

Stormwater System

No funded improvements are identified in the CIP, but several unfunded projects are:

- **NE Linden Avenue**-6th to 2nd Streets. Storm drain improvements.
- **NE 5th Street**-Hood to Linden Streets. Storm drain improvements.
- **NW Ava/1st Street**. Storm drain improvements.
- **NE Division Street**-Cleveland to Burnside Streets. Storm drain improvements.

Parks, Trails and Open Space

The Master Plan and CIP identifies several park and recreation elements within the study area. A city-wide update of the parks and open space master plan is currently underway.

The following two projects are funded:

- **Cultural Arts Center**-Planning, design and partial construction for center located between Hood and Kelly Avenues and 2nd and 3rd Streets.
- **Skateboard Area** in unspecified location. Planning and design.
- **Beach Street**- Shared path from 3rd to 5th.
- **MAX ped/bike path**
- **Downtown Urban Plaza**- Center for the Arts Site, 3rd and Roberts. Acquisition/improvements.

Unfunded projects are also identified:

- **Cultural Arts Center**-Construction.
 - **Downtown Neighborhood Park #1**-Unspecified location. Improvements.
 - **Downtown Neighborhood Park #2**-Unspecified location. Acquisition/improvements.
 - **Downtown Neighborhood Park #3**- Unspecified location. Acquisition/improvements.
 - **Downtown Neighborhood Park #4**- Unspecified location. Acquisition/improvements.
 - **Downtown Town Square**- Unspecified location. Acquisition/improvements.
- A number of needed infrastructure improvement projects have been identified and are included in the City's Capital Improvement Program. The majority of these projects, however, are currently unfunded. Identifying funding sources for many of these projects, a number of which are needed to support more intense development, is a key challenge.

E. Existing and Needed Transportation Improvements

A report entitled *Transportation Assessment Memo*, June 28, 2007 includes a detailed description and analysis of transportation conditions within the study area. Based on the information developed for this report, the following assets, barriers and opportunities are identified.

1. Assets

Existing transportation infrastructure is already in place. The study area is currently served by a grid street system, sidewalks and transit including LRT. The City has completed a Transportation Systems Plan (TSP) and has a capital improvement program that identifies specific needs, proposed improvements, and in some cases, has committed funding for high priority projects.

2. Barriers and Opportunities

Transportation needs are identified, but current funding is inadequate. Following is a summary of needed transportation improvements and funding status:

Capital Improvements in the Transportation System Plan (TSP)

The TSP lists numerous improvement projects within the study area. These projects are categorized by near term-within five years of the 2002 TSP, mid term-6 to 10 years from the TSP and long term-10 to 20 years.

Street Improvements

- | | |
|--|---------------------------------|
| ○ Division St., Kelly Ave. to Burnside Rd. | Complete boulevard improvements |
| ○ Hogan Rd., Powell Blvd. to Burnside St. | Improve to boulevard standards |
| ○ Hood St., 5th to Powell | Roadway reconstruction |
| ○ 5th St., Main Ave. to Cleveland Ave. | Roadway reconstruction |

○ 2nd St., Liberty Ave. to Cleveland Ave.	Construct new street
○ 3rd St., Liberty Ave. to Cleveland Ave	Construct new street
○ 3rd St., Liberty Ave. to Victory Ave.	Construct new street
○ 4th St., Victory Ave. to Cleveland Ave.	Construct new street
○ 6th St., Elliott Ave. to Cleveland Ave.	Improve substandard street
○ 8th St., Eastman Pkwy. to Victoria Ave.	Construct new street
○ 9th St., Hood Ave. to Linden Ave.	Improve substandard street
○ 9th St., Linden Ave. to Cleveland Ave.	Construct new street
○ Burnside Rd., Wallula to Hogan Rd.	Construct boulevard improvements
○ Elliott Ave., 2nd St. to 6th St.	Improve substandard street
○ Juniper Ave., 2nd St. to 6th St.	Improve substandard street
○ Liberty Ave., 5th St. to 8th St.	Construct new street
○ Linden Ave., 3rd St. to 6th St.	Improve substandard street
○ Linden Ave., Division St. to 8th St.	Improve substandard street
○ Main Ave., Division St. to 5th St.	Improve ped access to MAX
○ Miller Rd., 5th St. to 8th St.	Construct new street
○ Victoria Ave., Division St. to 8th St.	Improve substandard street

Bike and Ped projects

○ Cleveland, City Hall, and 181st.	Improve access to LRT
○ Central Station Ped to MAX	Improve ped access to MAX
○ Cleveland Station Area, Ped to MAX	Improve ped access to MAX

2005 Gresham Capital Improvement Plan

The CIP identifies projects that have funding for construction. Projects in the study area are:

○ NE Cleveland (Powell - Stark)	Road widening
○ Powell Blvd. (West City Limits to Burnside)	Road widening
○ Division Street Arterial Blvd.	Boulevard and ped. improve.
○ Eastman Parkway at Division	Increase intersection capacity
○ Max Path (Rockwood-Regional Center)	Multi-use path along LRT

Other unfunded projects are listed in the CIP. These include:

- **NE 5th (Hood - Cleveland)**
- **Downtown Plan Improvements**
- **Eastman Parkway at Division**
- **Hogan at Burnside**
- **Hogan at Division**
- **Bike and Ride Routes**
- **Division Street Regional Boulevard**
- **Hood Street Ped to MAX**
- **Cleveland Station Ped to MAX**

- Support for all of the transportation improvements noted above is recommended in order to achieve the Vision for Downtown Gresham. Identifying additional funding sources to construct these projects is a major challenge.

Additional transportation needs are identified. As part of the *Transportation Assessment Memo*, June 28, 2007 additional transportation improvements and management recommendations were made. Funding for these improvements has not been identified. These projects are summarized below:

- **Pedestrian street designation and improvements**, sidewalks at least 8 feet wide
 - **Main Avenue & pedestrian street traffic calming**
 - **Arts-Walk Special Character street (Beach, 2nd to LRT)**
 - **Signage and way-finding program**
 - **300 foot block faces required in Town Fair Center redevelopment**
 - **Miller/Powell signalization-ped. access to Springwater Trail and Park**
 - **Division/Eastman intersection-ped. Improvements**
 - **LRT “Fareless” connections within the Regional Center**
 - **Downtown parking management**
 - Limit on- and off-street parking to 2 hours in the central core and enforce
 - Implement a private parking leasing program
 - Acquire new strategically located public parking lots
 - Construct long-term parking structures on public lots as needed
 - **High capacity transit connections** between Downtown and Mt. Hood Community College, Mt. Hood Legacy Hospital, Troutdale, Wood Village, Fairview and the Springwater, Damascus and Pleasant Valley areas.
 - **New MAX LRT station** at Main Street and NW Division.
- Amend the TSP as needed to include the additional transportation improvements as recommended in the *Transportation Assessment Memo*, June 28, 2007.
 - Pursue the following funding sources for capital projects: Local Improvement District, System Development Charges (TIF), and tax increment financing as part of a new urban renewal district. Other sources include city general fund, state gas tax revenues, and federal grants.
 - Pursue the following operating funding sources: Economic Improvement District, city general fund, and revenues from parking tickets.

F. Implementation Tools and Programs

A report entitled *Conditions & Circumstances Report, Update Conditions and Analysis Memo*, June 2007 evaluated the changes to conditions and circumstances since the Downtown Plan was adopted in 1995. The report evaluated development and design standards from three nearby Regional Centers: Downtown Beaverton, Gateway Regional Center in Portland and Downtown Vancouver, Washington, and the implementation tools used in these centers that contribute to successful development and redevelopment programs. Based on our review of the case study analysis and available implementation tools, we have the following observations, conclusions and recommendations relative to achieving the Vision outlined in the previous section. These conclusions are arrayed as either assets, barriers to be overcome, and/or opportunities.

1. Assets

Many implementation tools found to be important to successful development and redevelopment programs are currently in place. Table 1, reprinted from the *Conditions & Circumstances Report, Update Conditions and Analysis Memo*, June 2007 describes an “implementation toolkit”, available implementation tools used for downtown revitalization programs.

Implementing the Downtown Plan will require a variety of tools and strategies, some of them not yet in place. Though sources of funding are of course critical to any capital-intensive action plan, great importance also must be given to setting up mechanisms and organizations to assist in the implementation program.

The capital activities called for in the Vision for the Downtown District essentially are either standard public works projects, such as street, traffic and streetscape improvements, parks, and public buildings, or they are actions that will require initiatives by private developers. The table below shows the funding sources most appropriate to the activities and actions desired to carry out the Downtown District plan. The table also notes the implementation tools that have been utilized by the case study communities. Table 1 is not intended to be comprehensive, but presents the sources most likely to be available and appropriate in the foreseeable future.

Table 1
Available Implementation Tools for Downtown Gresham

Available Implementation Tools for Downtown Gresham			
Implementation Tool	Description	Implementing Responsibility	Plan Elements Benefiting from Tool
General Obligation Bonds Beaverton Regional Center Downtown Vancouver	General Obligation bonds may be issued with voter approval. Typically used to finance major capital improvements	Local, with voter approval	Major Capital improvements include public buildings, streets, and parks
Revenue Bonds Downtown Vancouver	Bonds issued with backing from a known source of revenue.	Local, with Council authorization	Most likely use would be for parking, if parking fees are charged
Tax Increment Revenue (Urban Renewal Districts) Gateway Regional Center Rockwood URA	By creating an urban renewal district, the increases in property taxes, over time, become revenue to assist the district, paying for a variety of improvements that result in overall public benefit	Local, with Renewal Agency authorization. Voter approval in Gresham required.	A Wide range of capital improvements. Most projects identified in the Downtown Vision are eligible for renewal funding.
City General Fund Beaverton Regional Center Gateway Regional Center Downtown Vancouver	Funds from various sources, property taxes, fees, etc. May be used for a wide variety of public purposes.	Local, with Council concurrence	Administrative costs, minor public works improvements
Economic Improvement District (EID) Downtown Gresham, Gateway Regional Center	Voluntary assessment district for purposes of marketing, promotion, beautification, maintenance in the district.	Local, with consent of property owners, and Council approval.	Fund marketing programs, maintenance, special services within the district.

Available Implementation Tools for Downtown Gresham			
Implementation Tool	Description	Implementing Responsibility	Plan Elements Benefiting from Tool
Commercial Property Rehabilitation Loans and Grants Gateway Regional Center	Loans or grants to property owners to encourage redevelopment.	Local – Urban renewal funds.	Building improvements and renovations within the urban renewal boundary
Local Improvement Districts Beaverton Regional Center Gateway Regional Center	LIDs allow the city to issue bonds which are paid for over a period of time through assessments on the benefiting properties. The assessments may cover all or a portion of the cost of the improvement. Once enacted, an LID assessment becomes a lien against the property.	Local, with consent of property owners, and Council approval.	Share the cost of major public improvements such as streets, lighting, parking, etc. Can help leverage bond or urban renewal funds
Dedication of System Development Charges Gresham Civic Neighborhood	Systems development charges and transportation impact fees may be collected by local governments when new development projects are approved. Some cities have devised programs where the charges and fees collected from developments in a specific area, are used to fund needed improvements in that same area.	Local, with Council authorization	Re-invest in similar improvements
Technical Assistance to Property Owners Beaverton Regional Center Gateway Regional Center Downtown Vancouver	Provide technical assistance in market research, design services, to encourage new development	Local, with Renewal Agency funding and authorization	Reduce cost of determining market feasibility of projects
City Share of Gas Tax Funds	Minor street improvements and repairs	Local, with Council concurrence	Streets improvements, or collateral support for bonds
Oregon Economic and Community Development Dept – Loans for Public Facilities Beaverton Regional Center	OECD will make loans for public facilities. Loan requires backup from general fund, or TIF	State, by application. Terms are negotiated between OECD and City	Potential Lending source for construction of public buildings. May have favorable terms.
Vertical Housing Development Zone – (Tax relief incentive) Downtown Gresham/Civic Neighborhood, Beaverton Regional Center	State program which offers a 10yr property tax exemption on mixed used projects that include housing uses on upper floors	State authorized, requires local enacting ordinance and regulations	Incentive for mixed use projects.
TOD Tax Exemption Previous in Gresham Beaverton Regional Center	Similar to the Vertical Housing Development incentive available for housing and mixed use developments close to LRT and other transit facilities.	State authorized, requires local enacting ordinance and regulations	Incentive for mixed use projects. Many of the housing and mixed use project developed in the GCN and Downtown used the TOD

Available Implementation Tools for Downtown Gresham			
Implementation Tool	Description	Implementing Responsibility	Plan Elements Benefiting from Tool
Community Development Block Grant Funding (CDBG) Downtown Gresham, Beaverton Regional Center	CDBG can be used for a variety of eligible activities to benefit low-income areas and residents	City	May have application in residential areas for uses such as housing rehabilitation loans, curb and sidewalk repairs, etc
METRO TOD Development program. Previous in Gresham Beaverton Regional Center	METRO program that provides financing assistance for mixed use projects near LRT stations, and direct development through site acquisition and disposition.	METRO by competitive application.	Has been successfully used in the Gresham Civic neighborhood.
Fee Assistance, waivers, or Permit Fast-Tracking	Waiving or reducing the cost of permit fees or System Development Charges (SDC s) for a designated purpose or in a defined area. Fast tracking moves a particular permit process to the front of the queue and saves time and money for the builder.	Local, with Council authorization	Additional incentive to development,
Transportation Equity Act (TEA-21) Downtown Vancouver	Federal transportation funds, administered by ODOT.	State, by competitive application	Bike paths, transit-related capital improvements
New Markets Tax Credits	Funds generated by tax-credit sales can be used for economic development (i.e. loans, equity investment) in low-income communities. Most effective if coupled with Historic Preservation Tax Credits.	Federal program. Tax credit allocation is available to qualified local Community Development Entities (CDEs) who must demonstrate that their primary mission is serving low-income communities or individuals.	As currently structured, the program would have little value for Downtown District at this time.
Administrative and Regulatory Assistance to Private Development	Regulatory relief, fee relief, tax abatements	City Council authorizations	Targeted developments or development types within the Downtown District
Policy and Development Code Amendments Beaverton Regional Center Gateway Regional Center Downtown Vancouver	Amendments to the Comprehensive Plan, Development Code and Zoning Map in order to achieve a mixed-use, pedestrian oriented district as described in the Vision.	Subject to approval by Planning Commission and City Council.	Address uses permitted, development standards, parking requirements, street design standards, etc.

- Implementation programs already in place should be continued. These programs include: Economic Improvement District (EID), Vertical Housing Development Zone, TOD Tax Exemption, and Community Development Block Grant funds dedicated to downtown projects. Funds from Transportation Impact Fees and System Development Charges should be available for qualified transportation, infrastructure and parks improvements.

A public/private partnership in the form of the City of Gresham and the Gresham Downtown Development Association (GDDA) has already achieved success. The city and GDDA, representing downtown business and property owners, have been successful in undertaking a wide range of projects that benefit the downtown. Funding for GDDA through an Economic Improvement District has provided stability and continuity. Maintaining and strengthening this partnership should be a high priority.

The City has experience and a proven success in the Gresham Civic Neighborhood.

Metro's publication *Ten Principles for Achieving 2040 Centers*, 2002 features the Civic Neighborhood as a case study for successful Regional Center development. The principles used to support development of the Civic Neighborhood are transferable to Downtown.

Those principles are:

- Understanding market-Tailoring a plan to meet market needs, acknowledging that public investments to overcome current market conditions are necessary if the desired development type is a priority.
- Private investments follow public commitments-Public commitments in the form of new zoning and street standards, property owner agreements, tax abatements, secured funding for Civic Drive and a new MAX station proceeded significant private investments.
- Build communities-The overall street plan and mixed use zoning created a blueprint for an entire neighborhood. The design of Civic Drive set the tone for a high quality, pedestrian oriented streetscape.
- Remove barriers-Barriers including unrealistic zoning that allowed only a regional shopping center, financial barriers to the types of development desired, market barriers to mixed-uses not seen in Gresham at the time, and political barriers to higher densities were all removed.
- Build partnerships-Metro and Tri Met were important partners in developing the plan, made financial commitments to the Civic Neighborhood and are still involved in development decisions and support.
- Balance the automobile with the pedestrian-The Civic Neighborhood street plan and street design standards give priority to the pedestrian.
- Take the long view-It takes time to build an urban neighborhood, and the public commitment has continued over the past 12 years.

2. Barriers and Opportunities

Additional funding sources are needed to support Regional Center type developments and district-wide improvement. A primary barrier to achieving the Vision is reliable funding for the capital improvement projects needed to support development and redevelopment, and to create a community where people will want to live, work and invest.

- Pursue the formation of an urban renewal district to include the entire Regional Center. Adopting an urban renewal plan for the entire Regional Center in order to provide a reliable funding source for capital improvement projects and a mechanism to carry out long term economic development activities is strongly recommended.

IV. DEVELOPMENT STRATEGIES & IMPLEMENTATION RECOMMENDATIONS

This section is derived from the analysis of assets, barriers and opportunities presented earlier in this report, and outlines implementation strategies and actions designed to achieve the Vision for Downtown Gresham and encourage Regional Center-type developments. Strategies and implementation recommendations are organized into four major categories: City plans, codes and development standards; Funding for transportation and infrastructure improvements; Organization, marketing and recruitment; and Support and incentives for desired development types.

A. Revise City Plans, Codes and Development Standards

As a result of this planning process, the City should enact a plan, code and standards amendment process in order to address the following:

- Amend goals and policies in the Comprehensive Plan to reflect the Draft Vision Statements included as Section II of this report.
- Amend the base zoning map based on the final Vision approved for the Downtown, in particular, a DT designation for the area on Eastman Parking currently zoned DC-1, and an area south of Division west of Main Avenue currently zoned DR-30.
- Amend Downtown Plan Sub-District Development Standards to allow maximum heights of at least 150 feet in the DT district. This will permit high buildings located near MAX and the arterial transit streets.
- Amend standards related to non-conforming auto uses in the DT district in order to allow some limited improvements, and to prevent a non-conforming use status from discouraging reasonable building and property upkeep and maintenance.
- Amend architectural design review requirement to include required design guidelines and standards for the entire Regional Center, and establish approval procedures that offer both an administrative and quasi-judicial approval track to applicants. In addition, we recommend that strong attention be given to incentives or regulatory streamlining that can serve to offset both regulatory issues of importance to development interests – whether real or perceived.
 - A key regulatory challenge for Gresham is to implement land use and design standards, guidelines and criteria that may serve to *raise the bar* – but not so much as to preclude market responsive and financially feasible development.
 - As is documented by the market analysis, downtown Gresham area rents and values are relatively low and therefore increase the difficulty of achieving projects that can cover cost of construction plus provide a reasonable rate of return to the owner/investor. Consequently, it is recommended that careful consideration be

given to the cost ramifications of any proposed changes in development regulations.

- It can be useful to know whether a community is in a weak or strong market position. Communities or districts experiencing strong demand are in better position to raise the bar than those in a weak market position. Weak market communities may be better off to incent early stage development to *get the ball rolling* before *upping the ante* with increased regulatory complexity or cost.
- Amend the Transportation System Plan as needed to include the additional transportation improvements and standards as recommended in the *Transportation Assessment Memo*, June 28, 2007. These improvements include:
 - Pedestrian street designation and improvements, sidewalks at least 8 feet wide
 - Main Avenue & pedestrian street traffic calming
 - Arts-Walk Special Character street (Beach, 2nd to LRT)
 - Signage and way-finding program
 - 300 foot block faces required in Town Fair Center redevelopment
 - Miller/Powell signalization-ped. access to Springwater Trail and Park
 - Division/Eastman intersection-ped. Improvements
 - LRT “fareless” connections within the Regional Center
 - Downtown parking management
 - Limit on- and off-street parking to 2 hours in the central core and enforce
 - Implement a private parking leasing program
 - Acquire new strategically located public parking lots
 - Construct long-term parking structures on public lots as needed
 - High capacity transit connections between Downtown and Mt. Hood Community College, Mt. Hood Legacy Hospital, Troutdale, Wood Village, Fairview and the Springwater, Damascus and Pleasant Valley areas.
 - New MAX LRT station at Main Street and NW Division.

B. Identify Funding for Transportation, Infrastructure and Other Public Improvements

A number of needed transportation, infrastructure and other public improvement projects have been identified and are included in the City’s Transportation Systems Plan and Capital Improvement Program. Section III of this report summarizes these needed improvements. The majority of these projects, however, are currently unfunded. A key strategy for a successful Downtown Gresham Regional Center is to identify new or expanded funding sources for many of these projects, a number of which are needed to support more intense mixed use development.

Table 2 identifies a range of funding sources for a variety of capital improvement projects. This strategy recommends three key funding sources to augment current funding for transportation, infrastructure and public improvements:

- Pursue the formation of an urban renewal district to include the entire Regional Center. Adopting an urban renewal plan for the entire Regional Center in order to provide a

reliable funding source for capital improvement projects and a mechanism to carry out long term economic development activities is strongly recommended.

- Establish the highest priorities for spending Transportation Impact Fees and System Development Charge revenues within the Regional Center. Establish policies that TIF and SDC fees generated by developments within the Regional Center are earmarked for improvements within the Regional Center.
- Pursue the formation of Local Improvement Districts to augment other funding sources such as tax increment financing, and Transportation Impact Fees and System Development Charges.

TABLE 2
FUNDING CAPITAL IMPROVEMENT PROJECTS

FUNDING CAPITAL IMPROVEMENT PROJECTS											
CAPITAL IMPROVEMENT PROJECTS	COSTS	FUNDING SOURCES: CAPITAL IMPROVEMENT PROJECTS									
		IST	GT	GF**	G.O.	LID	SDC	OED	RB	TIF	EID
CAPITAL IMPROVEMENT PROJECTS											
STREET & PEDESTRIAN ELEMENTS											
Streetscape improvements	MED			X	X	X				X	
Median landscape improvements approaching intersections	HIGH			X	X	X	X			X	
Artswalk Improvements	HIGH			X	X	X	X			X	
Parkway enhancements	HIGH		X	X	X	X	X			X	
Mid-block pedestrian crossings	MED			X	X	X	X			X	
Transit center and park improvements	HIGH	X		X	X	X	X			X	
Consolidate property access	MED			X	X	X				X	
Enhance intersections with pavement and ornamental landscape	MED-HIGH		X	X	X	X	X			X	
Parking acquisition and construction	MED-HIGH	X	X		X	X	X			X	
PARK & NATURAL AREA IMPROVEMENTS											
Expand open space/trail system	HIGH			X	X	X	X			X	
Create a Civic Plaza with gardens, seating and special paving	MED-HIGH			X	X	X	X			X	
Pedestrian promenade (artwalk) and public plaza	MED-HIGH			X	X	X	X			X	
Park acquisitions and improvements	HIGH			X	X	X	X			X	
BEAUTIFICATION IMPROVEMENTS											
Enhance entryway and landscape, monumentation	MED			X	X	X				X	
Preserve existing trees	LOW			X		X				X	X
Permanent growers and arts market	MED			X		X				X	
Develop signs, banners, etc. for each district with common themes	MED					X				X	X

PUBLIC BUILDINGS & FACILITIES											
Construct Civic Center and other public buildings	HIGH			X	X			X		X	
Locate public buildings such arts center and conf. center	HIGH			X	X			X		X	

Cost Estimates

HIGH-	\$500k or greater
MED-	\$100-500k
LOW	Less than \$100k

Implementing Sources: Capital & Marketing Projects

IST-	Fed. ISTEA program	GT-	Gasoline Tax
SDC-	System Development/Transportation Impact Fees		
OED-	Or. Economic Development Dept.-Public Facilities		
GF-	City General Fund **	RB-	Revenue Bonds
GOB-	General Obligation Bonds	TIF-	UR Tax Increment Financing
LID-	Local Improvement District	EID-	Economic Improvement District

** General Fund is considered only as a source for planning capital improvements, and street tree maintenance

C. Urban Renewal as a Primary Funding Source

As discussed earlier in this section, a major challenge is developing funding sources for many of the capital improvement projects described in the plan and needed to achieve the Vision for Downtown Gresham.

The section includes an analysis of the potential for an urban renewal district and tax increment financing capacity as a primary capital improvement funding source. Urban Renewal is in use in many cities and counties throughout Oregon, including Gresham, as an important funding tool for capital improvement projects.

An Urban Renewal Plan must first be adopted by the City and meet requirements set out in ORS 457. Once in place, the County Assessor certifies the assessed value within the urban renewal district at the time of plan adoption, then any property taxes paid on increases in assessed value beyond the initial certified value go to the urban renewal agency. This is called tax increment financing. The urban renewal agency can then spend tax increment funds on projects authorized in the urban renewal plan. Being within or outside an urban renewal district has no impact on property taxes paid by individual property owners.

The City of Gresham has already established one urban renewal district in the Rockwood area. City charter requires that formation of an urban renewal district and use of tax increment financing must be approved by the voters. Creation of an urban renewal plan and report must be carefully considered, involve the general public, local stakeholders and other interested parties, and be closely linked to achieving important city-wide objectives. Realizing the Vision for Downtown Gresham is a city-wide goal, and the improvements needed to make the Vision a reality: transportation improvements, parks and open spaces, infrastructure improvements, building rehabilitation, business incentives, etc. are the kind of projects that urban renewal districts help finance. An urban renewal plan should include both the Downtown and Civic Neighborhood portions of the Regional Center.

Table 3 summarizes the tax increment revenue generating capacity for three alternative development assumptions for the Regional Center. Alternative A assumes a modest growth of

new developments of \$75 million within the Regional Center over a 25 year period and relies on annual value growth in assessed values from the “frozen base”. The current assessed value within the Regional Center is approximately \$240 million. Alternative B assumes a moderate level of growth of new developments of \$125 million. Alternative C assumes an aggressive rate of growth of new developments of \$225 million over a 25 year period.

The forecasts account for the differences in development values by alternative. For these forecasts, it was assumed that an urban renewal area would be established for the entire Regional Center, that the tax rate for tax increment revenues is \$17.34/1000 assessed value, that an annual value growth increase of 2.75% would apply, and that an urban renewal program would extend for 25 years. See the appendix for detailed forecasts and assumptions for each alternative.

Table 3
Development Assumption Alternatives
Summary of Tax Increment Capacity

Tax Increment Revenue Forecasts	Modest New Growth-\$75M	Moderate Growth-\$125M	Aggressive Growth-\$225M
Year 5			
Annual Tax Increment Revenue	\$735,000	\$735,000	\$735,000
Cumulative Tax Increment Revenue	\$2,402,000	\$2,402,000	\$2,402,000
Year 10			
Annual Tax Increment Revenue	\$1,654,000	\$1,654,000	\$1,796,000
Cumulative Tax Increment Revenue	\$8,774,000	\$8,774,000	\$9,180,000
Year 15			
Annual Tax Increment Revenue	\$2,746,000	\$2,949,000	\$3,442,000
Cumulative Tax Increment Revenue	\$20,248,000	\$20,827,000	\$22,941,000
Year 20			
Annual Tax Increment Revenue	\$4,042,000	\$4,531,000	\$5,543,000
Cumulative Tax Increment Revenue	\$37,781,000	\$40,191,000	\$46,253,000
Year 25			
Annual Tax Increment Revenue	\$5,582,000	\$6,465,000	\$8,225,000
Cumulative Tax Increment Revenue	\$62,509,000	\$68,495,000	\$81,754,000

Conclusions regarding these forecasts are:

- The majority of the tax increment revenue, approximately \$51 million over the 25 year period, is due to the indexed growth of the existing assessed value within the Regional Center.
- The differences among the alternatives range from \$62 million assuming modest new growth over the next 25 years, and more than \$81 million assuming a relatively aggressive rate of development.
- Adequate tax increment revenues will likely be available over the life of the district to complete many of anticipated public improvements, development incentives and marketing programs summarized in Tablea 2, 4 and 5.
- Adequate tax increment revenues will also likely be available to fund other priorities such as Housing assistance and incentives, Mixed-use assistance and incentives, Residential rehabilitation assistance and incentives, and Façade improvements assistance and incentives.

D. Identify Organization, Marketing and Recruitment Programs

As discussed in the previous section of this report, the City and the Gresham Downtown Development Association have been successful in undertaking a wide range of projects that benefit the downtown. Funding for GDDA through an Economic Improvement District has provided stability and continuity. The following strategies focus on organization, marketing and recruitment strategies and involve both the City of Gresham and the GDDA:

- Continue to support funding for GDDA through an Economic Improvement District. Maintaining and strengthening this partnership should be a high priority.
- Develop and implement a multi-faceted public relations/advertising program that sends a consistent, memorable message about the Downtown and Regional Center to the target audience.
- GDDA should take a lead role in parking management programs, including:
 - Developing a program for long, short, and very short term parking.
 - Advertise the parking management program.
 - Manage a private parking leasing program with assistance from the City.
- Downtown Gresham's opportunity to re-enter the Class A market depends on an economic development approach – attracting corporate tenants who choose Gresham for reasons such as non-Central City MAX accessibility plus access to a substantial labor force that now endure substantial work trip commutes. The City and GDDA should focus on this potential for business recruitment.
- There is an opportunity for Downtown Gresham to capitalize on consumers' growing appetite for pedestrian scale, village retail. The City and GDDA should focus on this potential for business recruitment.
- Over the last two decades, cities in the Pacific Northwest and beyond have re-discovered the vital role that major civic facilities can play in maintaining or re-energizing declining city core areas. In Downtown Gresham, four major civic facilities are identified in the Vision:
 - Center for the Arts
 - Plazas and neighborhood parks
 - A new City Hall Civic Center Complex
 - A new Convention Center and Hotel

The impact of civic facilities is both *symbolic* as a visible demonstration of public commitment to the downtown and *real* by bringing (or keeping) public employees and patrons who also shop as part of their trip to a public facility. On-going activities supporting feasibility assessment, design, recruitment, and fundraising should be supported.

Table 4 summarized various marketing and promotion activities, and potential funding sources for those activities.

TABLE 4
FUNDING MARKETING & RECRUITMENT ACTIVITIES

MARKETING & RECRUITMENT ACTIVITIES	COSTS	FUNDING SOURCES: MARKETING & RECRUITMENT									
		IST	GT	GF**	G.O.	LID	SDC	OED	RB	TIF	EID
MARKETING & PROMOTION ACTIVITIES											
MARKETING & PROMOTION ACTIVITIES											
Implement a multi-faceted public relations/advertising approach that sends a consistent, memorable message to the target audience.	LOW		X								X
Measure and evaluate results of advertising and marketing efforts.	NA		X								X
Make adjustments as necessary and continue to move ahead with a multi-faceted marketing approach.	NA		X								X

Cost Estimates

HIGH- \$500k or greater
MED- \$100-500k
LOW Less than \$100k

Implementing Sources: Capital & Marketing Projects

IST- Fed. ISTEA program GT- Gasoline Tax
SDC- System Development/Transportation Impact Fees
OED- Or. Economic Development Dept.-Public Facilities
GF- City General Fund **RB- Revenue Bonds
GOB- General Obligation Bonds TIF- Urban Renewal Tax Increment Financing
LID- Local Improvement District EID- Economic Improvement District

E. Develop Incentives for Desired Development Types

The Vision calls for exciting new development types emerging in the Downtown District. These included mixed use projects, mid-rise office developments, and high quality multi-family housing. These development types and configurations currently are rare, or not found at all in Gresham.

Realistically, a transformation of development types will depend almost entirely on developer initiatives. Those initiatives, in turn, will result from a variety of economic, market, lifestyle, and cost factors that are beyond the City's control. Even if the City wished to force or expedite the transformation, the means at its disposal are limited, and would be enormously costly. The marketplace will dictate when the time has come for the transforming developments. It is impossible to predict how soon that time might come, but the future sometimes arrives sooner than we expect.

It is important that the Downtown District planning effort proceed with these understandings about private development.

- The role of private development is the key to a true Downtown District.
- Private development actions that help achieve objectives of the Downtown District must be encouraged, and assisted when possible and necessary.
- Assistance to private development is not a giveaway. There are financial returns from these developments in terms of taxable values, and intangible returns to the community in terms of convenience, choice, and even in community image, character, and livability.

With that said, options for direct assistance to private development are small-scale, at least in the near term. They include:

- Setting up a more comprehensive redevelopment loan and grant program.
- Providing technical assistance for market or site studies, architectural assistance, etc.
- Considering fee waivers or reductions for desired development types.

Overall, the City's role will be that of setting the table for private development. It can do so by:

- Implementing the low-cost financial incentives note above
- Adopting an urban renewal plan for the Downtown District and possibly the entire Regional Center in order to provide a reliable funding source for capital improvement projects, and a mechanism to carry out long term economic development activities.
- Making public investments to improve the look and functionality of the District. Even low-cost improvements should be carried out with much fanfare, to let the public and development community know things are happening.
- Adopt design standards to encourage the type and look of development in the Downtown District area. Financial incentives and design could work hand in hand; that is, the level of financial assistance could be tied to the development's conformance with design or other standards.
- Remaining flexible enough to respond to an opportunity with a major investment.
- Demonstrating through a sustained series of actions that it has the will and commitment to work with private and public developers to make the Downtown District a success.

Table 5 summarizes operational activities and development assistance programs that should be undertaken by the City. Funding sources to support these activities are outlined as well.

TABLE 5
OPERATIONAL AND DEVELOPMENT ASSISTANCE PROGRAMS

IMPLEMENTATION ACTIONS	COST ESTIMATES	IMPLEMENTATION SOURCES: OPERATIONAL AND DEVELOPMENT ASSISTANCE							
		GF	EID	LID	GO	TIF	OED	RB	PDCA
OPERATIONAL AND DEVELOPMENT ASSISTANCE PROGRAMS									
FINANCING & POLICY ACTIVITIES									
Establish an Advisory Committee to guide the implementation program.	NA	X				X			
Continue with an Economic Improvement District (EID)	LOW	X	X			X			
Fund a marketing program	LOW-MED		X						
Form an Local Improvement District (LID) for specific improvements	LOW	X	X			X			
Prepare and adopt an Urban Renewal Plan	LOW	X	X			X			
Target development fees toward improvements, adopt applicable ordinances	LOW	X				X			
Develop a detailed improvement plan including cost estimates	LOW	X	X			X			
Continue the designated District for Vertical Housing Tax Abatement	LOW	X				X			

Identify a public process to create a design review program, adopt development code amendments.	LOW	X	X			X			X
Prepare street and streetscape design standards for the District, adopt development code amendments.	LOW	X				X			X
Identify a public process to create new business assistance programs such as tax abatements, loan programs, grants, etc. Make recommendations to the City Council, adopt ordinances as appropriate.	LOW	X							
DEVELOPMENT ASSISTANCE PROGRAMS									
Assistance in land assembly and acquisition (G.O. only for public projects)	HIGH				X	X			
Building rehabilitation loans and grants	LOW-MED				X	X			
Infrastructure and parking assistance	HIGH	X	X	X	X	X			
Property tax relief, such as Vertical Housing Tax Abatement	LOW	X							
Fee Waivers or reductions	LOW	X							
Technical assistance, such as market or cost analysis, or architectural assistance	LOW		X			X			

Cost Estimates

HIGH- \$500k or greater
MED- \$100-500k
LOW Less than \$100k

Implementing Sources: Operational Expenses and Development Assistance Programs

GF- City General Fund
EID- Economic Improvement District
OED- Or. Economic Development Dept.
TIF- Urban Renewal Tax Increment Financing
PDCA- Policy & Development Code Amendments
LID- Improvement District
GO - General Obligation Bond
RB- Revenue Bonds

Appendix A-Tax Increment Forecasts

MODEST NEW GROWTH OF \$75M OVER 25 YEARS

Value Growth	
0.0275	years 1-5
0.035	years 6-10
0.035	years 11 on

Gresham Downtown URA @ \$240,000,000 Frozen Base VALUE AND REVENUE PROJECTIONS

Year	Frozen Base	Indexed growth	Total Incremental value	BM50 Tax Rate for UR Revenue	Tax Increment Revenue for year	Cumulative TI Revenue	
0	\$240,000,000	\$6,600,000	\$6,600,000	\$17.34	\$0	\$0	
1	\$240,000,000	\$6,781,500	\$13,381,500	\$17.34	\$232,035	\$232,035	
2	\$240,000,000	\$6,967,991	\$20,349,491	\$17.34	\$352,860	\$584,895	
3	\$240,000,000	\$7,159,611	\$27,509,102	\$17.34	\$477,008	\$1,061,903	
4	\$240,000,000	\$7,356,500	\$34,865,603	\$17.34	\$604,570	\$1,666,473	
5	\$240,000,000	\$7,558,804	\$42,424,407	\$17.34	\$735,639	\$2,402,112	Year 5
6	\$240,000,000	\$9,884,854	\$52,309,261	\$17.34	\$907,043	\$3,309,155	
7	\$240,000,000	\$10,230,824	\$62,540,085	\$17.34	\$1,084,445	\$4,393,600	
8	\$240,000,000	\$10,588,903	\$73,128,988	\$17.34	\$1,268,057	\$5,661,656	
9	\$240,000,000	\$10,959,515	\$84,088,503	\$17.34	\$1,458,095	\$7,119,751	
10	\$240,000,000	\$11,343,098	\$95,431,600	\$17.34	\$1,654,784	\$8,774,535	Year 10
11	\$240,000,000	\$11,740,106	\$107,171,706	\$17.34	\$1,858,357	\$10,632,892	
12	\$240,000,000	\$12,151,010	\$119,322,716	\$17.34	\$2,069,056	\$12,701,948	
13	\$240,000,000	\$12,576,295	\$131,899,011	\$17.34	\$2,287,129	\$14,989,077	
14	\$240,000,000	\$13,016,465	\$144,915,476	\$17.34	\$2,512,834	\$17,501,911	
15	\$240,000,000	\$13,472,042	\$158,387,518	\$17.34	\$2,746,440	\$20,248,351	Year 15
16	\$240,000,000	\$13,943,563	\$172,331,081	\$17.34	\$2,988,221	\$23,236,572	
17	\$240,000,000	\$14,431,588	\$186,762,669	\$17.34	\$3,238,465	\$26,475,037	
18	\$240,000,000	\$14,936,693	\$201,699,362	\$17.34	\$3,497,467	\$29,972,503	
19	\$240,000,000	\$15,459,478	\$217,158,840	\$17.34	\$3,765,534	\$33,738,038	
20	\$240,000,000	\$16,000,559	\$233,159,399	\$17.34	\$4,042,984	\$37,781,022	Year 20
21	\$240,000,000	\$16,560,579	\$249,719,978	\$17.34	\$4,330,144	\$42,111,166	
22	\$240,000,000	\$17,140,199	\$266,860,178	\$17.34	\$4,627,355	\$46,738,522	
23	\$240,000,000	\$17,740,106	\$284,600,284	\$17.34	\$4,934,969	\$51,673,491	
24	\$240,000,000	\$18,361,010	\$302,961,294	\$17.34	\$5,253,349	\$56,926,839	
25	\$240,000,000	\$19,003,645	\$321,964,939	\$17.34	\$5,582,872	\$62,509,711	Year 25

\$0

base @ 0.275% \$245,890,979
new value growth \$76,073,960

Appendix B-Tax Increment Forecasts

MODERATE GROWTH OF \$125M OVER 25 YEARS

Value Growth	
0.0275	years 1-5
0.035	years 6-10
0.041	years 11 on

Gresham Downtown URA @ \$240,000,000 Frozen Base VALUE AND REVENUE PROJECTIONS

Year	Frozen Base	Indexed growth	Total Incremental value	BM50 Tax Rate for UR Revenue	Tax Increment Revenue for year	Cumulative TI Revenue	
0	\$240,000,000	\$6,600,000	\$6,600,000	\$17.34	\$0	\$0	
1	\$240,000,000	\$6,781,500	\$13,381,500	\$17.34	\$232,035	\$232,035	
2	\$240,000,000	\$6,967,991	\$20,349,491	\$17.34	\$352,860	\$584,895	
3	\$240,000,000	\$7,159,611	\$27,509,102	\$17.34	\$477,008	\$1,061,903	
4	\$240,000,000	\$7,356,500	\$34,865,603	\$17.34	\$604,570	\$1,666,473	
5	\$240,000,000	\$7,558,804	\$42,424,407	\$17.34	\$735,639	\$2,402,112	Year 5
6	\$240,000,000	\$9,884,854	\$52,309,261	\$17.34	\$907,043	\$3,309,155	
7	\$240,000,000	\$10,230,824	\$62,540,085	\$17.34	\$1,084,445	\$4,393,600	
8	\$240,000,000	\$10,588,903	\$73,128,988	\$17.34	\$1,268,057	\$5,661,656	
9	\$240,000,000	\$10,959,515	\$84,088,503	\$17.34	\$1,458,095	\$7,119,751	
10	\$240,000,000	\$11,343,098	\$95,431,600	\$17.34	\$1,654,784	\$8,774,535	Year 10
11	\$240,000,000	\$13,752,696	\$109,184,296	\$17.34	\$1,893,256	\$10,667,791	
12	\$240,000,000	\$14,316,556	\$123,500,852	\$17.34	\$2,141,505	\$12,809,295	
13	\$240,000,000	\$14,903,535	\$138,404,387	\$17.34	\$2,399,932	\$15,209,227	
14	\$240,000,000	\$15,514,580	\$153,918,967	\$17.34	\$2,668,955	\$17,878,182	
15	\$240,000,000	\$16,150,678	\$170,069,644	\$17.34	\$2,949,008	\$20,827,190	Year 15
16	\$240,000,000	\$16,812,855	\$186,882,500	\$17.34	\$3,240,543	\$24,067,732	
17	\$240,000,000	\$17,502,182	\$204,384,682	\$17.34	\$3,544,030	\$27,611,763	
18	\$240,000,000	\$18,219,772	\$222,604,454	\$17.34	\$3,859,961	\$31,471,724	
19	\$240,000,000	\$18,966,783	\$241,571,237	\$17.34	\$4,188,845	\$35,660,569	
20	\$240,000,000	\$19,744,421	\$261,315,658	\$17.34	\$4,531,214	\$40,191,783	Year 20
21	\$240,000,000	\$20,553,942	\$281,869,599	\$17.34	\$4,887,619	\$45,079,402	
22	\$240,000,000	\$21,396,654	\$303,266,253	\$17.34	\$5,258,637	\$50,338,039	
23	\$240,000,000	\$22,273,916	\$325,540,169	\$17.34	\$5,644,867	\$55,982,905	
24	\$240,000,000	\$23,187,147	\$348,727,316	\$17.34	\$6,046,932	\$62,029,837	
25	\$240,000,000	\$24,137,820	\$372,865,136	\$17.34	\$6,465,481	\$68,495,318	Year 25
		\$0					
base @ 0.275%			\$245,890,979				
new value growth			\$126,974,157				

Appendix C- Tax Increment Forecasts

**AGGRESSIVE GROWTH IN NEW VALUES \$225M
OVER 25 YEARS**

Value Growth	
0.0275	years 1-5
0.04	years 6-10
0.05	years 11 on

**Gresham Downtown URA @
\$240,000,000 Frozen Base
VALUE AND REVENUE
PROJECTIONS**

Year	Frozen Base	Indexed growth	Total Incremental value	BM50 Tax Rate for UR Revenue	Tax Increment Revenue for year	Cumulative TI Revenue	
0	\$240,000,000	\$6,600,000	\$6,600,000	\$17.34	\$0	\$0	
1	\$240,000,000	\$6,781,500	\$13,381,500	\$17.34	\$232,035	\$232,035	
2	\$240,000,000	\$6,967,991	\$20,349,491	\$17.34	\$352,860	\$584,895	
3	\$240,000,000	\$7,159,611	\$27,509,102	\$17.34	\$477,008	\$1,061,903	
4	\$240,000,000	\$7,356,500	\$34,865,603	\$17.34	\$604,570	\$1,666,473	
5	\$240,000,000	\$7,558,804	\$42,424,407	\$17.34	\$735,639	\$2,402,112	Year 5
6	\$240,000,000	\$11,296,976	\$53,721,383	\$17.34	\$931,529	\$3,333,641	
7	\$240,000,000	\$11,748,855	\$65,470,238	\$17.34	\$1,135,254	\$4,468,895	
8	\$240,000,000	\$12,218,810	\$77,689,048	\$17.34	\$1,347,128	\$5,816,023	
9	\$240,000,000	\$12,707,562	\$90,396,610	\$17.34	\$1,567,477	\$7,383,500	
10	\$240,000,000	\$13,215,864	\$103,612,474	\$17.34	\$1,796,640	\$9,180,140	Year 10
11	\$240,000,000	\$17,180,624	\$120,793,098	\$17.34	\$2,094,552	\$11,274,693	
12	\$240,000,000	\$18,039,655	\$138,832,753	\$17.34	\$2,407,360	\$13,682,053	
13	\$240,000,000	\$18,941,638	\$157,774,390	\$17.34	\$2,735,808	\$16,417,860	
14	\$240,000,000	\$19,888,720	\$177,663,110	\$17.34	\$3,080,678	\$19,498,539	
15	\$240,000,000	\$20,883,155	\$198,546,265	\$17.34	\$3,442,792	\$22,941,331	Year 15
16	\$240,000,000	\$21,927,313	\$220,473,579	\$17.34	\$3,823,012	\$26,764,343	
17	\$240,000,000	\$23,023,679	\$243,497,257	\$17.34	\$4,222,242	\$30,986,585	
18	\$240,000,000	\$24,174,863	\$267,672,120	\$17.34	\$4,641,435	\$35,628,020	
19	\$240,000,000	\$25,383,606	\$293,055,726	\$17.34	\$5,081,586	\$40,709,606	
20	\$240,000,000	\$26,652,786	\$319,708,513	\$17.34	\$5,543,746	\$46,253,352	Year 20
21	\$240,000,000	\$27,985,426	\$347,693,938	\$17.34	\$6,029,013	\$52,282,365	
22	\$240,000,000	\$29,384,697	\$377,078,635	\$17.34	\$6,538,544	\$58,820,908	
23	\$240,000,000	\$30,853,932	\$407,932,567	\$17.34	\$7,073,551	\$65,894,459	
24	\$240,000,000	\$32,396,628	\$440,329,195	\$17.34	\$7,635,308	\$73,529,767	
25	\$240,000,000	\$34,016,460	\$474,345,655	\$17.34	\$8,225,154	\$81,754,921	Year 25
		\$0					
base @ 0.275%			\$245,890,979				
new value growth			\$228,454,676				